COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.</u>: 3588-01 Bill No.: HB 1348

Subject: Merchandising Practices; Motor Vehicles; Insurance - Automobile

<u>Type</u>: Original

<u>Date</u>: March 15, 2010

Bill Summary: Prohibits insurance companies from acquiring any ownership interest in an

auto body repair shop or offering an incentive for a referral to a specific

auto body repair shop.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2011	FY 2012	FY 2013	
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2011	FY 2012	FY 2013	
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2011	FY 2012	FY 2013	
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)					
FUND AFFECTED	ED FY 2011 FY 2012 FY 2				
Total Estimated Net Effect on FTE	0	0	0		

- □ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- ☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2011	FY 2012	FY 2013	
Local Government	\$0	\$0	\$0	

FISCAL ANALYSIS

ASSUMPTION

Officials from the Office of State Courts Administrator, Department of Insurance, Financial Institutions, and Professional Registration, Department of Corrections and Office of Prosecution Services assume the proposal will have no fiscal impact on their organizations.

Officials from the **Office of Attorney General (AGO)** assume costs would be incurred only in the investigation and enforcement against any violations of the proposal. It is unknown how many cases might result, but the AGO assumes costs can be absorbed with existing resources. If there is a significant increase in cases over time, the AGO may seek appropriations to adequately enforce the proposal.

FISCAL IMPACT - State Government	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FISCAL IMPACT - Local Government	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Office of Attorney General
Office of State Courts Administrator
Department of Insurance, Financial Institutions, and Professional Registration
Department of Corrections
Office of Prosecution Services

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Director

March 15, 2010